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**FOUR SENTENCED IN CONSPIRACY TO STEAL MONEY FROM
THE SOCIAL SECURITY ADMINISTRATION**

FRESNO-United States Attorney McGregor W. Scott announced today that EDWINA LOUISE JACKSON, 44, her sister, KIM ELAINE KENDRICK, 46, her brother, TROY JEROME KENDRICK, 43, and her niece, SUMATRA DUKES, 31, who are all from Bakersfield, were sentenced by U.S. District Judge Oliver W. Wanger on charges relating to conspiracy to steal money from the United States. JACKSON was sentenced to 21 months in custody, TROY KENDRICK was sentenced to 18 months in custody, and KIM KENDRICK and her daughter SUMATRA DUKES were sentenced to 5 and 3 months in custody, respectively. All of the sentences are to be followed by a three-year term of supervised release. Judge Wanger also ordered that the defendants jointly and severally pay \$79,610 in restitution.

This case was the product of an investigation by Special Agent Glenn Roberts with the Office of Inspector General for the Social Security Administration.

According to Assistant United States Attorney Sheila K. Oberto, who is prosecuting the case, in connection with their guilty pleas, the defendants admitted that the Social Security Administration (SSA) has established a "representative payee" program to assist social security recipients judged by the SSA to be incompetent due a mental disability to manage their own funds. The "payee" is accountable to the SSA for use of the funds it receives from SSA. The SSA also retains supervision and control of the funds it gives to a "payee" for the benefit of the mentally disabled social security recipients by requiring periodic written reports from the payees and can also verify how a representative payee used the funds. A "payee" is also required to keep records of what was done with the benefit payments in order to make accounting reports.

The services of the "payee" include distributing monthly SSA benefits on behalf of the Social Security recipients for their weekly expenses, making payments and providing funds for the Social Security recipients' monthly expenses such as rent, food, utilities and insurance, generally by issuance of checks. The "payee" is responsible for ensuring that a bank account is set up solely for SSA recipients' funds ("trustee account") and a separate account is set up for the organization's general expenses for day to day operations ("operating account" or "general account"). Each defendant acknowledged that the "payee" is not authorized to use funds from the trustee or the general account for personal use.

The defendants each admitted that on or about March 15, 1993, Kern County Mental

Health Association (KCMHA) was approved by SSA to be a "payee." In or about December 2000, defendant JACKSON became Assistant Executive Director of KCMHA. As the Assistant Executive Director, defendant JACKSON managed the day-to-day operations was responsible for managing the funds of the SSA recipients for which KCMHA was the "payee."

Defendants KIM KENDRICK and TROY JEROME KENDRICK began working at KCMHA as volunteers in 1998 and 1999, respectively. Defendants EDWINA JACKSON and TROY KENDRICK each admitted that they wrote checks from the KCMHA trustee and general accounts in the names of co-defendants KIM KENDRICK and SUMATRA DUKES. KIM KENDRICK and SUMATRA DUKES cashed the checks and divided the proceeds with JACKSON or TROY KENDRICK. EDWINA JACKSON admitted that she showed TROY KENDRICK how to write checks from the KCMHA accounts. JACKSON also acknowledged issuing checks to herself from these accounts which she also cashed. Although some of these checks had notations reflecting rent or other day-to-day expenses of the social security recipients, the defendants admitted that none of these checks were used for such purposes, but were instead used to pay for the defendants' personal expenses such as rent, travel, clothing, and/or food. The defendants each knew that the monies they received were intended solely for the use of the social security recipients and that they should not have cashed the checks and used the proceeds to pay for their own personal expenses.

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